6 Proven Digital Marketing Strategies for Your Small Business

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Strategy is more important than ever

In a blink, people stopped buying airline tickets and going shopping. They had family gatherings on Zoom; they made all their purchases online. User behavior can flip. Marketing to a rapidly changing audience is a challenge we have all come to face with COVID-19.

Digital marketing is increasingly driven by artificial intelligence (AI) and automation via digital marketing platforms such as Google, Amazon, and Facebook.

When you provide the right direction to these powerful marketing engines, they can execute a campaign really quickly. But with that speed, a small misjudgment can cause a big headache. If you accidentally define traffic as your objective instead of sales, for example, you could end up spending your whole budget on visitors, while generating no sales.

So your strategic direction is more important than ever in this uncertain and fast-paced world. With a limited amount of resources to invest in growth, what channels should you focus on first? How soon can you expect a return on your investment? To what channels should you turn next?
But what is a digital marketing strategy?
The main components of a digital marketing strategy are objectives, content formats, distribution mode, and marketing channels.

- **Objectives:** Do you want to generate more visibility for your brand, enter into contact with more prospects, or simply sell more? Or perhaps all three of these? Is your time horizon for generating results short-term or long-term?

- **Content formats:** What content types can your organization use effectively? Written content, composed images, video, events?

- **Distribution mode:** Are you considering sharing and growing your online audiences via free channels only, or are you ready to invest in advertising? Does a combination of both make sense for you?

- **Marketing channels:** What channels will you focus on? SEO, community management, paid search, paid social, programmatic, marketplaces, email?

It is important not to mistake any of the above marketing channels for strategies in their own right. Email is a channel, advertising is a distribution mode, video is a content format. They can be important elements of your marketing plan, but should not be confused with business strategy.
Considerations for selecting your strategy

Most business owners consider their business to be unique and different from other companies. Hold on to that thought, as it helps you differentiate your brand from others. However, there are business types, economic models, and markets in which certain digital marketing setups work and others don’t. This comes down to audience behavior, fulfillment, type of product, and recurrence of the need.

Digital marketing is not a one-size-fits-all approach. With AI-powered machines, campaigns can run really fast once started, so you need to make sure you start out in the right direction. Let’s look at some of the considerations you must take into account when choosing your digital marketing strategy.

Understanding the customer journey

Understanding the customer journey is important for choosing your strategy. It helps marketers position their messaging and choose their communication channels efficiently. To do this, most of them use some version of the marketing funnel. A popular version of the funnel looks at four stages:

- **Awareness**: To create awareness of your brand, you need to give it visibility. Unless you communicate to a wide population, your service or product will struggle to find its audience. If you are an events organizer, for instance, you constantly need to build awareness for the events you launch.

- **Consideration**: A lot of digital marketing activity plays to the consideration stage. Once your brand is identified in the market, you need to give consumers a reason to want to learn more about your brand -- and eventually become clients. If you are a real estate agent, provide house-hunters with some compelling arguments to sign with you instead of the competition.

- **Conversion**: The obsession of many a digital marketer and most e-merchants, a conversion is a measurable action representing a sale or a qualified lead. It is the action of converting users from unknowns to prospects or from prospects to clients. If you have a toy store, ringing up a truck or a puzzle is the key moment you focus on.

- **Loyalty**: The customer journey doesn’t end at the cash register or the contract singing. Post-purchase, your clients can provide return business, reviews and ratings, recommendations, and ultimately ambassadorship. If you sell office supplies and stationery, your most important task may be to establish repeat buys and encourage word-of-mouth publicity.
Your individual digital marketing initiatives should address at least one of the stages above. Some strategies will work effectively on several stages. To be most effective, you should have initiatives in place to cover the entire spectrum of the customer journey.

While there are critical voices rejecting the funnel concept, most alternative theories struggle to explain how the user journey starts and evolves. The tried-and-true funnel concept is integrated into most advertising engines and sometimes also finds its way into analytics solutions.

**Changing user behavior**

User behavior has always been difficult to manage. It has become an ever-greater challenge with the digitization of the economy. Attention spans are shortening, brand loyalty is faltering, communication channels are fragmenting, and per-user message volume is peaking. As marketers ramp up their output, customers are overwhelmed. This marketing overflow causes some users to block ads, unsubscribe en masse, and devalue brands by posting negative reviews.

The challenge for marketers is to understand their customers better and target them more precisely, while also respecting their privacy and not clogging their inboxes, feeds, and screens. The higher the price point for a product, the longer and more complex the
The building bricks of content strategy can be outlined as themes, hashtags, and content that apply to your personas via your main social channels.

decision cycle is. For example, you weigh more factors when buying a car than you do when choosing a breakfast cereal. Keeping a potential customer engaged over weeks and months of consideration — while not being too pushy — is even more challenging.

The way digital marketers address this challenge is by building personas. Personas are fictional identities for your segments that consolidate demographic, psychographic, and behavioral characteristics. They can help you build laser-focused messaging and identify key decision-making moments to address in your marketing plan. They can also help identify the roles of individual stakeholders in complex purchasing decisions.

If you are a market research firm, you might have three personas:

- Rose, an independent marketing consultant
- John, procurement officer at a large FMCG group
- Anne, head of insights at a marketing technology firm

The more channels you incorporate into your strategy, the more complex it becomes to create these personas. Unfortunately, they often remain disconnected from the source data and aren’t always updated as user behavior changes. They are, however, one of the keys to succeeding in digital marketing.

Your business characteristics

Your business is unique. But you can still categorize it according to characteristics that other businesses share.

For example, are you marketing to multiple decision-makers or just one? And how long will it take for a decision to be made? If you are running a computer service for B2B customers, you are probably facing multiple stakeholders in a sale: the end-users, procurement, and
finance. The decision cycle will be long. At the opposite end of the spectrum, if you run a souvenir shop, there is only one decision-maker and choices are made in a split-second. Somewhere between these two in terms of stakeholders and decision cycles would be a jewelry shop selling high-priced engagement rings; sales cycles are bound to be a little longer and just one buyer (or two) is making the purchasing decision.

Do you sell physical products or virtual products? Marketing a subscription service where you can provide trials is very different from marketing a physical product such as foodstuff, which loses its value when it is consumed. And if your product is intangible (as with a virtual product needing no shipping), e-commerce is so much easier than it is for physical products. When there is only a marginal variable cost for each new sale, digital marketing budgets can scale proportionally to sales.

Because of the nature of online tracking, digital marketing first took off for intangible products with a short decision cycle. Sales are easy to track when the entire buying cycle is short and remains online. With reliable tracking, merchants could push advertising aggressively. Conversely, the slowest uptake of digital marketing has been in B2B activities with high price points, multiple stakeholders, and a sale taking place offline.
So, in summary, some of the defining characteristics of your business that will shape your strategy:

- **Type of product:** Are you selling engagement rings or software downloads?
- **Length of decision cycle:** Do you offer impulse-buy souvenirs or security services that go through a lengthy competitive bid process?
- **Number of stakeholders:** Do you need to convince just Rose, the independent consultant? Or do you have to make your case to end-users, finance, and procurement?
- **Distribution method:** Are your products unique one-offs, or mass-produced and sold via a distribution network?
- **On- or offline sale:** Are you selling market research reports online, or cups of coffee at a physical counter?

### Digital marketing channels you can use

A final consideration for your digital marketing strategy is deciding which of the many available channels you’ll use. Remember, these channels often reinforce each other. A one-channel digital marketing strategy is rarely effective, even if vendors sometimes describe their own marketing channel as a comprehensive, standalone strategy.

![Strategy Implications Diagram](https://example.com/strategy-diagram.png)

First movers in digital marketing had virtual products and short decision cycles. For physical products and longer decision cycles, other strategies are needed.
Below you will find a broad spectrum of the most important marketing channels. Channels often fragment over time, and new platforms arise. We have excluded emerging platforms such as SMS messaging, gaming platforms, and push notifications.

- **SEO:** Search Engine Optimization (SEO) is about adapting your internet presence to meet search engine requirements so your site appears in search results for relevant keywords. SEO has many facets and is strongly interconnected with other marketing channels.

- **Paid search:** Search Engine Advertising was one of the first effective digital marketing channels and is one of the biggest advertising channels available.

- **SMO:** Social Media Optimization, also known as community management, is the publication and interaction activity you can have on social media for your business.

- **Paid social:** Social media advertising allows you to target audiences precisely and reach them via mobile and with visual content, including video.

- **Programmatic display:** Display advertising, also known as banner advertising, has evolved immensely; it has become increasingly auction-driven and real-time.

- **Shopping and marketplaces:** Price comparison engines and marketplaces such as Google Shopping, Amazon, Alibaba, and Walmart are sites where users come to search for, evaluate, and buy products. They have a powerful grip on e-commerce budgets and conversion.

- **Affiliate platforms:** Affiliate marketing is mainly used for e-commerce. It works via platforms which mutualize partnership deals between merchants and affiliates. It is not a channel in its own right, rather a contractual partnership model. Via one standard contract, it activates many smaller partners to drive traffic, leads, or conversion.

- **Influencers and partnerships:** Sometimes influencers or other companies have audiences that are relevant for your business. Partnering with them or sponsoring their content can bring visibility to your brand beyond the audiences you normally reach and without the use of advertising platforms.

- **Email:** Email marketing is one of the most powerful marketing tools available — if you have a list of subscribers. In its paid version, it is also one of the worst marketing techniques in the market. Everyone who was ever happy to receive an unsolicited email, raise your hands. Anybody?

As with anything in business life, any of these marketing channels will require significant work and investment to really produce a result. This is one of the challenges facing small businesses with limited resources for whom it is not an option to invest seriously in more than a few channels.
Proven digital marketing strategies

We have laid the groundwork for your digital marketing strategy. Now let’s look at proven digital marketing strategies used by businesses of all sizes today.

1. **The community strategy**
   The community strategy is rooted in networking and building long-term relationships. It increases reach and creates visibility for your brand, with the aim of activating your audience and converting them to clients. Rather than passively waiting for word-of-mouth to work its magic, a community strategy can amplify and steer that conversation. Its content formats are text and images, and it can effectively integrate both online and offline events.

   Its primary marketing channels are SEO, community management, and email marketing. But it can also incorporate **live video events** in its mix.

   Most marketers will be familiar with two variations of the community strategy: **personal branding** and influencer profiles. Both aim to build and activate an audience over time using organic distribution via effective marketing channels.

### DIGITAL MARKETING CHANNELS

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<thead>
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<th>SEARCH</th>
<th>SOCIAL</th>
<th>SHOPPING</th>
<th>DISPLAY</th>
<th>PARTNERSHIPS</th>
<th>EMAIL</th>
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<tbody>
<tr>
<td>SEARCH ENGINE OPTIMIZATION (SEO)</td>
<td>COMMUNITY MANAGEMENT</td>
<td>FREE PRICE COMPARISON ENGINES</td>
<td>N/A</td>
<td>INFLUENCERS</td>
<td>NEWSLETTERS</td>
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<td>SEARCH ENGINE ADVERTISING (PAID SEARCH)</td>
<td>SOCIAL MEDIA ADVERTISING (PAID SOCIAL)</td>
<td>SHOPPING ADS &amp; MARKETPLACES</td>
<td>NATIVE ADVERTISING / PROGRAMMATIC DISPLAY</td>
<td>AFFILIATES &amp; SPONSORSHIPS</td>
<td>SPAM</td>
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Each digital marketing channel has an organic and a paid component. The best-known pairs are SEO/paid search, and community management/social media advertising.
Who is a community strategy good for?
A community strategy is cost-efficient, but it really pays off only in the long run. To generate a return, you must consistently build the size of the community to a level of critical mass, where you drive activation and conversions from communication actions. It is great for small businesses in knowledge-driven industries.

Community strategy example: Bookkeeping firm
To illustrate the community strategy, let’s look at a bookkeeping firm. These are not the easiest businesses to market. Bookkeeping arrangements are long-term business relationships, and one of the most important parameters in choosing one is trust. Trust can come via referrals, from testimonials, and from developing a reputation of expertise and reliability.

- Objective: Build long-term relationships at low cost
- Content formats: Images, text
- Distribution mode: Organic
- Marketing channels: Facebook is the primary social network, but LinkedIn and Twitter can be effective too. Possible use of SEO for a relay-and-contact website and possible use of an email newsletter to share content. Webinars or live events if the relevant content is available.
- Keys to success: Post frequently with useful information that your audience will want to share
The content marketing strategy

Content marketing is about publishing great content you think your target audience will really love. People likely to buy your product or service will appreciate content that is both attractive and useful. A content marketing strategy is anchored in your content, which is naturally distributed via search and social media to ever-widening audiences.

At a time when digital advertising is much criticized for its intrusiveness, insistence, and data usage, content marketing has emerged as a valid alternative. It can generate visibility and inspire users to become clients. The audience for your content can develop organically, but can also be boosted with advertising for further distribution. Here are the steps a content marketer works through:

1. Persona and content research
2. Ideation and creation of remarkable content
3. Distribute content organically via search and social
4. Outreach and digital PR for wider organic distribution
5. Boost distribution with paid media (optional)

In a content marketing approach, you create a lot of high-quality content. The content is designed to garner high search rankings and increased visibility on social media to increase your reach. It uses a number of SEO techniques, including keyword research and rank monitoring. It uses community management organized around a content calendar to expand brand reach on social media. For additional reach, budgets are deployed on boosting and retargeting from those campaigns.

A successful content marketing strategy depends on great tools. Perform your keyword research using options such as Ahrefs, Moz Pro, and SEMrush. Research audiences using Facebook Audience Insights, BuzzSumo, and SparkToro. Monitor your search engine rankings with the tools mentioned above and add the Google Search Console to the mix. Use a social media management tool, such as Sprout Social, MeetEdgar, or SocialPilot.

The content marketing strategy is a build-up strategy which does not pay back immediately. Its results are faster, however, than for community strategies. It requires consistent and ongoing investment in content creation and can be sped up via additional advertising.
Who is the content strategy good for?

Content marketing is often used in B2B. It can work well for companies with a long sales cycle because it allows you to draw end-users closer to your offering via many content touch points.

In B2C, a content strategy is what a newspaper or a magazine does, and it can also be deployed by FMCG brands of all sizes to raise awareness in a cost-efficient manner.

3 Inbound marketing strategy

The inbound strategy also uses great content as its fuel. It aims to draw prospects closer to your brand and ultimately convert them into leads for your business. It makes use of automation and tracking to pursue this goal. Users may not be willing to leave their contact details the first time they interact with your content, but they may react to retargeting banners to come back to another piece of content on your site.

Inbound marketing tries to understand the questions and doubts that a user may have, and track repeat visits in order to guide them along a predefined path. Along the path, pop-ups on your site can be personalized to capture email addresses. The path might continue with a series of emails.

The main marketing channels engaged with the inbound marketing approach are SEO and social media. So far, it looks just like content marketing. But inbound marketing extends further into prospect relationship management (PRM) using the lead-nurturing mechanisms of retargeting or email. The aim of every interaction with prospects is to gain a better understanding of their needs and drive them further toward decision-making.

For the inbound strategy, the same SEO and social media tools used for content marketing are indispensable. To nurture and score users, the inbound strategy requires marketing automation tools such as Freshmarketer, HubSpot, or Marketo.

Inbound strategy example: The SaaS solution

Software-as-a-service (SaaS) solutions are software available via the internet and sold as a subscription.

- **Objective:** 100 new subscriptions per month at a cost per acquisition under $50
- **Content formats:** Video, images, text
- **Distribution mode:** Hybrid model with organic traffic from search and social networks. Boosting on social media to reach qualified audiences with advertising.
- **Marketing channels:** Primary use of SEO and social media
- **Keys to success:** Ranking in search engines, great reviews and ratings, driving free trials at an efficient cost, and converting trials to subscriptions.
Who is the inbound strategy good for?

An inbound strategy focused on lead generation works well for B2B companies with long sales cycles. It is also very useful for companies with a subscription model rather than a one-time sale. Some of the tools mentioned above have perfected the concept of inbound marketing into automation marketing software suites. Add great creativity and efficient content distribution to the mix, and you will have an impactful digital marketing strategy.

Local marketing strategy

A local strategy is mobile and map-driven; it aims to drive foot traffic to your shop rather than clicks to your website. In a local marketing strategy, you are reaching out to users close to your business address with the goal of driving them to your location or using your proximity as a sales argument. It has taken over the historical role of billboards and the yellow pages as the reference tool for finding a local business. To reach visitors locally, your brand needs to be visible when users are on the move and when they are looking for geographically defined business information.

There are essentially two components of local marketing: local information and geo-targeted information.

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<th>Local information</th>
<th>Geo-targeted information</th>
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<td>Based on addresses</td>
<td>Based on the user’s location</td>
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<td>Based on maps</td>
<td>Uses GPS coordinates</td>
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<td>Based on location-specific information</td>
<td>Contextualizes to the user’s physical location</td>
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<td>Business directories and listings</td>
<td>Business profiles on Google My Business and Facebook</td>
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<tr>
<td>Real-time networks Twitter &amp; Instagram</td>
<td>Location-based mobile advertising</td>
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A local strategy diverges from other strategies in that its end goal is not something happening online. It aims to drive footfall rather than traffic to a website or a business profile. Most digital platforms are struggling to reliably measure offline impact, and it is even harder to correlate online efforts with offline activity. This is the main reason why small local businesses often lag behind in digitization and online marketing.

Local marketing works with short-term objectives. It is focused on the consideration stage of the funnel. At this stage, the local strategy activates users to drive them toward conversion and loyalty. Local marketing primarily makes use of text and images and distributes its content in a hybrid mode with a strong organic basis.

The primary marketing channel is search engines and, more precisely, local SEO. Business profiles on Google My Business and Facebook are important for this strategy. It uses
events that can be boosted with advertising. It also uses dayparting (ads that run at certain times or days) and geo-targeting mechanisms of social platforms as well as paid search to drive relevant traffic to the point of sale at key moments.

Who is the local digital strategy good for?
Local marketing is clearly a B2C type of marketing. It is relevant for a majority of small businesses in the economy, for whom a physical sales point is a key component of their business model: bars, restaurants, retail outlets, shops of all kinds — all the businesses you used to find in the yellow pages.

Local strategy example: The coffee shop
This coffee shop is using local marketing to build ongoing visibility via maps, local search, and social media. For special events like its Sunday brunches, it engages in geo-targeted search campaigns to activate users for time-delimited offers.

- **Objective:** 20 booked brunches on Sundays
- **Content formats:** Images, text
- **Distribution mode:** Hybrid model with organic traffic from search and social networks. Geo-targeted advertising from Friday afternoon to Sunday noon.
- **Marketing channels:** Local SEO, boosting on social media and geo-targeted search campaigns. Building an email database to maintain awareness and build loyal traffic.
- **Keys to success:** Great reviews and ratings, appearing in maps, appearing in local packs in search results, driving footfall at key times
Performance marketing strategy

A performance strategy is based on short-term objectives to drive conversion. It makes use of the full range of digital marketing channels to optimize its organic reach and generate cost-efficient sales. In a performance marketing strategy, conversion is the main goal, and cost per acquisition is the main KPI.

It is a challenging strategy requiring the buying experience and the data capture to be fully optimized for it to be viable. This is because a performance marketing strategy is based on real-time measurement of conversions. It is a short-term strategy that makes use of a wide variety of distribution channels. It fully exploits any boosting and audience-targeting capabilities it meets.

Paid search, paid social, programmatic display, shopping engines, and marketplaces are all used in this strategy. It makes use of image and video content. It also makes use of automation and conversion-optimization algorithms.

Who is the performance digital strategy good for?
The performance strategy suits risk-takers who have already optimized the conversion mechanisms on their website. It is used when you have fully exploited the less expensive channels like SEO and community management. It is not reserved for e-commerce players and works best for B2C.

Performance strategy example: The e-commerce site

Many businesses have embarked on a performance strategy because of ambitious digital goals. The one type of business which has no choice but to choose this strategy is the e-commerce business type. It uses the full range of digital marketing channels for which it can measure performance.

- **Objective:** 10 sales per day at a cost per acquisition under $50
- **Content formats:** Video, text, images, coupons
- **Distribution mode:** Organic and paid media
- **Marketing channels:** Paid social to create awareness, programmatic display to reach new audiences, paid search to activate audiences, shopping and marketplaces to drive conversion. SEO to lower the cost of traffic, community management to build organic reach of social media activity, affiliates to extend sales below the designated CPA, and email newsletters to build loyalty and repurchase.
- **Keys to success:** CPA control, avoiding double-tracking and cannibalization, great creative content, loyalty build-up.
Integrated digital marketing

The integrated digital marketing strategy is a full-funnel, multichannel approach. It is synchronized with offline communication and behavior. It is the most advanced digital marketing strategy in our overview. Its scope covers the entire marketing funnel from awareness through to conversion—and sometimes adds the loyalty stage as well. It also activates almost the entire spectrum of channels, and is faced with measurement and message-synchronization challenges.

The aim of the integrated marketing strategy is to accompany the customer through all stages of the user journey, including both online and offline channels, without always being able to measure the final conversion reliably.

The integrated marketing strategy uses visual communication extensively, including video and images for the awareness stage of the user journey. It is story-driven but less reliant on editorial content than the content marketing strategy. Paid media is predominant in the integrated marketing strategy, as it is easier to plan and activate in a broader context, but organic media has a role to play in longer-term projects.

Who is the integrated digital strategy good for?
The integrated digital strategy is mainly deployed by global B2C brands with mixed distribution online and offline, via their own networks and distributors. With the aim to reach and influence their entire audience, the approach is high-risk and high-volume. Results cannot be measured in direct relation to each channel and user, and there are synergy effects that appear only when looking holistically at results.

Integrated marketing strategy example: The smartphone manufacturer

Smartphone manufacturers release new versions of their devices at regular intervals. Each new device presents a number of innovations as well as a new design. It is more of a desire-driven purchase than needs-based, and the competitive space is saturated. To drive sales across a wide range of channels, both online and offline, proprietary and distributors, the most effective approach will span the entire media spectrum.

- **Objective:** Reach 90%+ of age group 18 to 35 and engage 25% of the target in key markets
- **Content formats:** Video, images
- **Distribution mode:** Primarily paid media
- **Marketing channels:** Influencers and partnerships, PR and outreach, video-driven paid social, programmatic display, and video. Lesser activation of paid search, shopping, and organic media. Tactical use of email.
- **Keys to success:** Reach and engagement, channel synchronization, creative assets, results measurement.
Conclusions: Piecing together your digital marketing strategy

Digital marketing is constantly evolving, but this only makes strategy that much more important. More and more technology solutions empower you to quickly implement marketing tactics. But with such a wide range of possible choices and possible marketing channels, it can be hard to identify which is best for you.

Every single digital marketing channel can work for you. It requires that you build it up to a sufficient size, define its role and KPIs, and give it enough time. You also need to constantly optimize and improve it. One shortcut is to follow the paths that other digital marketers have taken before you, adopting proven strategies that each come with a set of compatible objectives and marketing channels.
To find the direction that works best for your business, here are a few pointers:

- **For a B2B business**: You can always start with a community strategy. If you are ready to speed up your marketing, move to a content strategy. If you want to make the strategy conversion-oriented and scalable, adopt the inbound strategy.

- **For a B2C business**: If you are a local business, the local strategy will work for you. If you are an e-commerce business with no physical store at all, you have the choice between a visibility-driven content strategy and a conversion-driven performance strategy. And finally, if you are a mixed business with e-commerce, physical sales points, and broad audiences, the integrated strategy may be a fit for your business.

The six strategies we have presented in this article are used by a large majority of businesses. Larger businesses may combine several strategies or deploy them for different brands. Smaller businesses will often be faced with fundamental questions of risk-tolerance and time horizon. You know best if you are geared to high-risk, short-term results, or low-risk, long-term results. If you have important growth targets, it is time to explore the inbound and performance strategies to leverage the power of data and digital media.